

FY 2014 IDEA Budget Software

- FY 2014 budget software will not be launched until the end of June. The annual July 1 deadline for budget and assurance submission will be pushed back until late July. Regardless of the postponed budget due date, districts may begin obligating FY 2014 funds on July 1.
- IDEA assurances will be authorized using a “digital signature” process – no paper assurances will be submitted or uploaded.

The Special Education team is in the process of making significant improvements to the IDEA budget software. The purpose behind the changes is to increase the software’s ease of use and provide you with helpful information so the status of your district’s budget and claiming is clear and understandable. Besides numerous enhancements, there will be three major software advancements:

- 1) The budgeting and claiming of indirect costs will be streamlined and simplified. The software will do the bulk of work regarding calculating the amount available based on eligible costs, and the user will simply add in a whole dollar amount up to the max available. Districts will be able to claim indirect on *every* claim submitted, not just the final claim. The indirect amount claimed will be generated by the software rather than requiring the user to determine the appropriate amount. This new system will also apply to the FY 2013 grants (indirect has not been available yet for this year).
- 2) IDEA assurances will be accepted using a “digital signature” process. There will no longer be a need to print a paper copy, sign it, and load it back into the software. The district will receive a user name and password which represents the role of district administrator. The district administrator will sign into the software, review and sign off on the assurance sections electronically. This will be recorded as the district’s acceptance of the IDEA requirements regarding the district’s eligibility and use of federal funds.
- 3) Claims will be submitted using a “digital signature” process. Currently, districts are required to print out the final claim, have it signed by the district administrator, and then submitted to DPI prior to any final payments being made. Using this new digital signature process, each claim will be “signed off” by the district administrator and final paper claims will no longer be necessary. This will improve the district’s internal control regarding review of claims before they are submitted *and* expedite the final fiscal year grant payment.

These changes have delayed the opening of the budget software for FY 2014. Due to this delay, the July 1 due date will be postponed until late July. However, as soon as the software is open, districts will be notified. Districts may then submit budgets for FY 2014 and those budgets will typically be reviewed within two weeks of submission. Webinars will be scheduled for those wishing a virtual tour of the system’s updates.

IDEA Allocations – Impact of Sequestration

The IDEA allocations for FY 2014 have been published. In Wisconsin, approximately 5% was cut from the IDEA allocation due to the implementation of sequestration. Please note, however, this does not mean

a uniform 5% cut to district awards since each district's allocation is based on that district's total student enrollment and Title I poverty count. If a district saw relatively little changes in these areas, its decrease will be approximately 5%. If a district saw a significant change in either of these areas, i.e., a decrease in students or an increase in the poverty count, the percentage cut will be greater.

Flow-through Estimated Allocation Amounts: <http://sped.dpi.wi.gov/files/sped/xls/fy14flow.xlsx>

Preschool Estimated Allocation Amounts: <http://sped.dpi.wi.gov/files/sped/presch14.xlsx>

Equitable Services Set-Aside Calculator: http://sped.dpi.wi.gov/files/sped/pppc_calculator-fy14.xlsx

IDEA MOE – FY 2013

Approximately 40 districts are still failing MOE eligibility – meaning that the budgeted fund 27, project 011 and 019 amounts submitted through the 1504 SE budget report are not equal to or greater than the districts FY 2012 actual fund 27 local expenditures. Special Education team staff will be contacting those districts requesting that either exceptions be submitted through the MOE reporting software *or* an assurance is e-mailed stating that MOE compliance will be met based on projected actuals.

However, the remaining 400 districts need to be vigilant regarding MOE compliance for FY 2013. All districts should be verifying that their projected local actuals will keep them in compliance with MOE. The MOE eligibility report is available to all districts and has been updated with the FY 2013 'Child Count for MOE' numbers. If a district saw a drop in students with disabilities between FY 2012 and FY 2013, it significantly impacts the calculations (i.e. less students allows for lower local costs).

If the district received Medicaid payments in June for costs tied back to 2009-10 or 2010-11, the district should re-run the eligibility test reflecting the increase in revenue. If the district is still passing one of the four MOE comparison tests, then compliance will be met and there is no need to try and determine an administrative exception.

If you would like to schedule a conference call with DPI staff to discuss FY 2013 MOE compliance, please e-mail marjorie.schenk@dpi.wi.gov to set up a time.

CORRECT CODING of COSTS

Many districts were still improperly coding certain costs when data was submitted through the 1504 SE budget report. Please be certain that your district is coding the following costs correctly:

Medicaid SBS or MAC Payments:

- **FUND 27, SOURCE 780** (if check is from Forward Health),
- **FUND 27, SOURCE 581** (if check is from a CESA and not Forward Health)
- **FUND 27, SOURCE 381** (if check is from a different district)

No districts should be coding Medicaid SBS revenue to Fund 10. No districts should be coding Medicaid SBS or MAC revenue to source 517.

The School Financial Services team has published a very helpful document outlining how Medicaid revenue must be coded: <http://sfs.dpi.wi.gov/files/sfs/MEDICAID.doc>

Flat Rate Open Enrollment or Non-Open Enrollment Tuition

The flat rate tuition amounts (final FY 2013 amount is \$6,335) for **all** students, both those with and without disabilities, for **either** open or non-open enrollment, must be coded to Fund 10. Only the additional student specific expenditures or revenue received for providing special education are posted to Fund 27.

Open Enrollment Flat-Rate Tuition Expenditure for all students: **FUND 10, FUNCTION 435000**

Open Enrollment Flat-Rate Tuition Revenue for all students: **FUND 10, SOURCE 345**

Non-open Enrollment Flat-Rate Tuition Expenditure for all students: **FUND 10, FUNCTION 431000**

Non-open Enrollment Flat-Rate Tuition Revenue for all students: **FUND 10, SOURCE 341**

School Financial Services has published a very helpful document outlining how open enrollment costs are coded: http://sfs.dpi.wi.gov/files/sfs/open_enrollment_wufar.doc